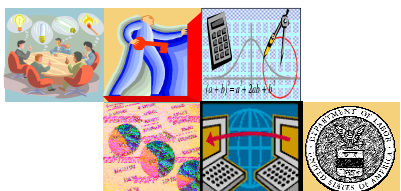**Program and Compliance Management**

VIRTUALLY
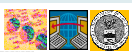
Workshop:

PROCESS MANAGEMENT – From Theory to Reality

1

Example: Using the Logic Model

Input ➡ Process ➡ Output ➡ Outcome

Logic Model	Example
Input	Employer Job Order
Process	Review, Post Job, Job Match, Contact Matched Job Seekers
Output	Job Referral
Outcome	Employer gets employee Job Seeker gets job One-Stop achieves employment outcome

4

Outline

- *Why It's Important*

  – *The WIIFM or Why should I care*

- *The Theory*

  – *What it is exactly*

- *Implementation*

  – *How to move from feedback and/or strategic planning to actual implementation*

2

Why It's Important
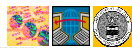### *Process Management is a Baldrige Category*

5

Why It's Important
See Logic Model

- You can't get results without a process

Input ➡ **Process** ➡ Output ➡ Outcome ➡ Impact

"Every process is designed to produce the results it gets." W.E. Deming

3

Why is Managing Processes Critical?
According to W. Edwards Deming…

- The reason we're slow to deliver results is NOT people performing individual tasks slowly or inefficiently but rather…

  – Performing tasks that need not be done at all;

  – Delays getting work from the person who does one task to the person doing the next; and

  – People don't have an understanding of how individual tasks combine to create a result

6

And finally…
The Simple Question to Ask Yourself

Is [it] working well?

YES — NO

Keep Going! — **Change Something!**

7

*Key Elements of a Process

- Distinct start and end points
- Takes inputs, transforms/adds value to them, and delivers output to internal or external customer
- Includes actions that are
  - Definable
  - Repeatable
  - Predictable
  - Measurable
- Fulfills a specific purpose that adds value for a customer

Process A set of interrelated activities that create value

10

Typical Consequences of Inappropriate Actions

- Wasted time and energy
- Diverted attention
- More variation in the system
- Loss of productivity
- Loss of morale
- Loss of confidence in manager
- Jobs put in jeopardy
- Careers put in jeopardy
- Problem goes on

8

Processes can be Focused Internally or Externally

- Internally Focused Processes
  - Policy development
  - New staff orientation
  - Staff training
- Externally Focused Processes
  - Youth assessment
  - Enrollment into training
  - Job development

EXAMPLES

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Process Management: Key Terms

- **Activity:** Step or task in the execution of a process

- **Process:** A series of interrelated activities that lead to a desired outcome (create value)*

- **System:** A set of interrelated and interdependent processes that are managed and have a specific purpose

9

Flowcharting (or Mapping) a Process

- Not about fixing blame or addressing the symptoms of a problem – It's about fixing the flaw in the process
- **HOW**
  1. List major steps, including subtasks/decisions for each
  2. Prompt with questions*
  3. Assign flowchart symbol to each step/decision
  4. Create flowchart using symbols

*Prompt with Questions:
What really happens next?
Is there a decision needed before or after this task?
Are there approvals needed before or after this task?
Are we missing anything?

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Flowchart Symbols

| Symbol	Type and Purpose
(Elongated Circle)	**Elongated Circle** *Shows the start and end points of a process flow chart*
(Rectangle)	**Rectangle** *Shows a task or action step*
(Diamond)	**Diamond** *A decision point; must contain question that can be answered with yes/no*
(A)	**Connector** *Small circle with letter used to connect one task to another*
(Document)	**Document** *Signifies transfer of hard copy document (or output)*
(Zigzag Arrow)	**Zigzag Arrow** *Shows an electronic data transfer*
(Straight Arrow)	**Straight Arrow** *Shows direction of process flow*
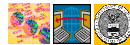
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Making the Theory a Reality

- **Choosing Processes to Improve**
- **Methods to Improve Processes**
  - Reengineering
  - Continuous Improvement
- **Forming Process Improvement Teams**
- **Steps**
  - Reengineering
  - Continuous Improvement
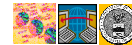
16

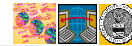## Example: Flowcharting a Process
Process Task Spreadsheet

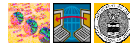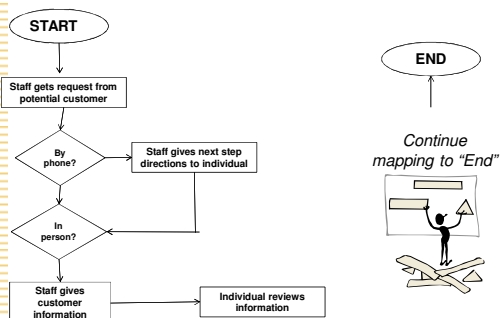| Task #	Major Process Steps/Tasks	Substeps/ Decisions	Symbol
1	Staff gets inquiry from potential customer		(Rectangle)
2		By phone?	(Diamond)
3		Staff gives next step directions to individual	(Rectangle)
4		In person?	(Diamond)
5		Staff provides information on services to individual	(Rectangle)
6	Customer reviews information		(Rectangle)
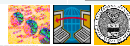
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Choosing Processes to Improve

- **Criteria for selecting high priority topics**
  - Needs attention
  - Has high customer value
  - Is cross-functional
  - Impacts multiple funding sources
  - Impacts external customer
  - Can provide quick win, especially if first experience using teams

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Example: Process Flowchart

START

Staff gets request from potential customer

By phone? → Staff gives next step directions to individual

In person?

Staff gives customer information → Individual reviews information

Continue mapping to "End"

END

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Methods to Improve Processes

- **Reengineering** is the fundamental rethinking and radical redesign of business processes to achieve dramatic improvements in critical, contemporary measures of performance, such as cost, quality, service, and speed.
  - Michael Hammer and James Champy
- **Continuous Improvement** is the relentless, ongoing hunt to eliminate the sources of defects, inefficiencies, and nonconformance to customer specifications, needs, and expectations.
  - James Cortada and John Woods
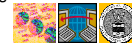
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Reengineering vs. Continuous Improvement

How Do They Differ?

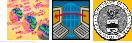| Reengineering	Continuous Improvement
Replaces one process with a completely new and different one that gives better/more efficient results	Improves a process over time so it becomes more efficient and effective
Is a one-time event	Is an on-going event
The process owner is highly involved	The process owner need be only moderately involved

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Reengineering vs. Continuous Improvement

When Do You Use Each?

Reengineering	Continuous Improvement
If the existing process cannot perform at the needed level	If the existing process can be tweaked to meet ongoing or gradually increasing expectations
If there are new changes or challenges to the system	To stabilize and enhance an already existing process

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Reengineering vs. Continuous Improvement

What Are BOTH Trying To Achieve?

Reengineering	Continuous Improvement
Correct a disparity between current reality and expectations	
Streamline the process to eliminate non value-added work	
Meet specific requirements of cost, quality, service and speed	

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Forming Process Improvement Teams

- **Criteria for selecting team members:**
  – 8-10 max
  – Cross-functional representation
  – Cross-site representation
  – Multiple funding sources represented
  – Participants with different learning styles
  – No known conflicts among members
  – Process expert representation
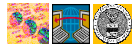 – Content expert representation

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Forming Process Improvement Teams (2)

- **Notify Selected Members**
  – Effective and ineffective ways; go with #1

- **Establish Team Parameters**
  – Provided by group granting authority to the team
  – Often done through team "charter"
    - Parameters specified by charterers (e.g., expectations, resources available, etc.)
    - Parameters specified by team (e.g., meeting time/place, ground rules, next steps, etc.)

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Process Steps: Reengineering
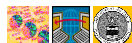
1. **Establish customer requirements**

2. **Establish new process flow based on the requirements**

3. **Determine how to transition to new flow**

   – Establish new policies, procedures

   – Train staff/vendors

4. **Begin new flow**

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Process Steps: Continuous Improvement

1. Define the process (scope)
2. Describe the flow
3. Determine requirements
4. Identify the issues
5. Determine root cause
6. Implement solution
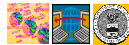
25

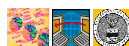## Example #1: *Process Improvement Cycle Scenario*

- The support services team has identified that *possible* causes of customer dissatisfaction could be lack of options for child care, too much paperwork to access child care, too much lag time between invoice submission and payment to the provider, and lack of understanding of the process. The team is uncertain which, if any, of these are true causes.
  - What stage in the process improvement cycle does this indicate?
  - What is the team's next activity?
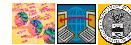
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Process Steps: Continuous Improvement

- **Determine Scope** – *Stage One*
  - Define process (e.g., boundaries); Determine members and process owner
- **Describe Flow** – *Stage Two*
  - Flowchart the process; Identify bottlenecks and inefficiencies; Begin ID'ing key data collection points
- **Determine Requirements** – *Stage Three*
  - Determine customer requirements and standards; Determine requirements of inputs from supplier

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## Example #2: *Process Improvement Cycle Scenario*

- The youth assessment team flowcharted the assessment process and determined it to be stable. They did identify some inefficiencies that have caused the process to take 3 weeks.
  - What stage in the process improvement cycle does this indicate?
  - What is the team's next activity?

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Process Steps: Continuous Improvement

- **Determine Issues** – *Stage Four*
  - Collect, display, analyze data; List problems and opportunities; Select one issue to address now
- **Determine Root Cause** – *Stage Five*
  - ID possible causes; Verify with data; ID root cause
- **Implement Solution** – *Stage Six*
  - Generate possible solutions; Determine best solution; Run trial; Evaluate; If positive, then implement; Stabilize/Standardize
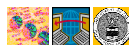
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Formalized Process Improvement Teams – Worth the Effort!

- Great way to involve staff in organizational improvement process
- Can be an effective training tool (measurement and continuous improvement come alive, less abstract)
- Can provide neutral framework for system decisions (interagency, partners, etc.)
  - Can provide structure/content for effective MOUs, contract provisions, etc.
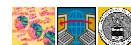
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Process Management in Effective Organizations…*From Malcolm Baldrige*

- Root causes are identified/addressed for all process flaws
- Functional barriers between work units have been eliminated by cross-functional team work
- Key business processes, support processes and supplier processes have been streamlined to enhance customer satisfaction
  - All support processes are improved with the same rigor as with key business processes
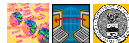
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Change is not about *WHAT* you know. It's about what you *DO* with what you know.

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Process Management in Effective Organizations…*From Malcolm Baldrige (2)*

- Performance requirements for suppliers are clearly defined
- **Improvements to outcomes based on process improvements have been <u>documented</u> and include customer satisfaction and productivity metrics**

The approach that gives you the best shot of taking care of customers is the same one that best takes care of you!
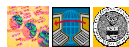
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But How and Who and When?!?!
Use Your Imagination (No Really)

- Easier – Assistance from graduate students at local community college or university?
- Harder – Establish program for older youth that helps them *and you?*
  - Incorporating interviewing skills, leadership development, adult mentoring
- Expensive – Engage process consultant

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